



Statements & Letters of Support for  
The American Health Care Act

From

**INDUSTRY GROUPS**



## **AdvaMed Statement on House Reconciliation Legislation**

**WASHINGTON, D.C.** – The Advanced Medical Technology Association (AdvaMed) issued the following statement from President and CEO Scott Whitaker after introduction of reconciliation legislation in the U.S. House of Representatives:

“AdvaMed commends the House Ways and Means Committee for moving forward with legislation that will permanently repeal the medical device excise tax. Bipartisan majorities in both the House and Senate are on record in support of repeal of this onerous tax, which has been associated with a significant loss of American jobs. Recent data from the U.S. Commerce Department showed that the medical technology industry experienced a decline of nearly 29,000 U.S. jobs while the tax was in effect. Conversely, an analysis by the American Action Forum demonstrated that permanent repeal of the tax could result in excess of 53,000 additional industry jobs, compared to what would occur if the tax remains in effect. Repealing the tax will provide medical technology innovators with the long-term certainty necessary to support future job growth and sustainable, cutting-edge R&D that will ultimately lead to the next generation of breakthroughs in patient care and treatment. We urge the House and Senate to act expeditiously to pass this important legislation.”

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*AdvaMed member companies produce the medical devices, diagnostic products and health information systems that are transforming health care through earlier disease detection, less invasive procedures and more effective treatments. AdvaMed members range from the largest to the smallest medical technology innovators and companies. For more information, visit [www.advamed.org](http://www.advamed.org).*

March 7, 2017

The Honorable Kevin Brady  
Chairman, Committee on Ways & Means  
United States House of Representatives  
1102 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Greg Walden  
Chairman, Committee on Energy & Commerce  
United States House of Representatives  
2125 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Brady and Chairman Walden,

I write to you today on behalf of the hundreds of innovative companies represented by the Medical Device Manufacturers Association (MDMA). MDMA thanks the House of Representatives for working to strengthen medical technology innovation by removing a major roadblock towards improving patient care. The “American Health Care Act” repeals the medical device tax which will result in greater investments in medical cures, lower healthcare costs and more high-tech manufacturing jobs in communities across the United States. The two year suspension of the medical device excise tax has resulted in a powerful boost in job creation and innovation following the devastation that the device tax caused when it was in place, and it is critical that we permanently end this onerous policy.

MDMA represents nearly 300 medical technology companies, and our mission is to ensure that patients have access to the latest advancements in medical technology, most of which are developed by small, research-driven medical device companies. According to the Department of Commerce, 80 percent of medical device companies have fewer than 50 employees and 98 percent have fewer than 500 employees.

Since the medical device tax was first proposed in 2009, MDMA shared our grave concerns with Congress about the negative impact this policy would have on job creation, R&D and patient care. Our members never agreed to the tax and we have consistently opposed it. Sadly, much of what we predicted came true when the medical device tax was enacted into law. In fact, the latest figures from the U.S. Department of Commerce showed that this dynamic industry lost nearly 29,000 jobs while the device tax was in place.

Fortunately, in an overwhelming bipartisan vote Congress passed a two year suspension of the medical device tax that started in 2016, and the additional resources allowed America’s med tech innovators and entrepreneurs to improve job creation and patient care. MDMA conducted a survey of some of the United States’ most innovative and entrepreneurial medical device innovators to assess how the two-year suspension of the medical device tax impacted their operations. Respondents showed that various steps have been taken, including company-wide raises, increased 401(k) matches, paid leave and much more.

The survey consisted of responses from over 100 medical technology executives, and the top findings included:

- ✓ **70 percent** of companies **increased hiring and created new jobs** as a result of the suspension
- ✓ **73 percent** of pre-revenue companies noted that suspension of the device tax has **improved the climate for raising capital and funding**
- ✓ When asked how much respondents have increased their R&D budget, the **average increase was 19 percent**

**Most notably, three out of four innovators** said that they would make additional investments in job creation and R&D if the device tax was permanently repealed, as opposed to a temporary suspension. Due in large part to medical technology innovation, between 1980 and 2000, life expectancies increased by 3.2 years, and death rates dropped by 16 percent. At a time where we need more high tech manufacturing and solutions to the challenges facing the health care system, it is critical that we have policies in place that will support innovation, and empower entrepreneurs. Permanently and fully repealing the medical device tax will do just that.

MDMA remains dedicated to working with Congress and the diverse coalition of stakeholders to get a full and permanent repeal of the device tax across the finish line, and we thank you for your leadership on this important policy goal.

Sincerely,



Mark B. Leahey  
President & CEO, MDMA

Cc:

The Honorable Paul Ryan, Speaker of the House of Representatives  
The Honorable Kevin McCarthy, Majority Leader  
The Honorable Steve Scalise, Majority Whip



"We appreciate the work that the administration and Congress have undertaken so far to begin stabilizing the individual market, and we are very pleased that the House bill envisions providing a smooth transition for consumers in 2018 and 2019, including making coverage more affordable by eliminating the tax on health insurance policies," **Alissa Fox**, a senior vice president for **Blue Cross Blue Shield Association**,



AMERICAN  
COLLEGE *of*  
CARDIOLOGY

**FOR IMMEDIATE RELEASE**

**March 8, 2017**

Contact: Katie Glenn, [kglenn@acc.org](mailto:kglenn@acc.org), [202-375-6472](tel:202-375-6472)

### **ACC President Comments on New Health Care Legislation**

**WASHINGTON (March 8, 2017)** — As the U.S. House of Representatives' Energy & Commerce and Ways & Means committees begin markup of legislation to repeal and/or replace the Affordable Care Act, American College of Cardiology President Richard A. Chazal, MD, FACC, made the following statement:

"With today's markups, further discussions about the future of our country's health care begin in earnest. The American College of Cardiology has been a long-time advocate for health care reform policies that protect patient access to quality, cost-effective care and ensure continued investment in cardiovascular research, prevention, and health care workforce development," said American College of Cardiology President Richard A. Chazal, MD, FACC.

"The ACC is encouraged by the widely-expressed commitment to guarantee access to affordable coverage options for patients with heart disease or other pre-existing medical conditions and asks that all members of Congress fight for that essential protection. On behalf of the ACC's nearly 33,000 U.S. members, and our patients in every state and congressional district, I urge members of Congress to support efforts to expand access to, and prevent loss of, health care coverage through public and private programs.

"We stand ready to work with policymakers on both sides of the aisle to honor our shared responsibility to care for all Americans, especially for the most vulnerable among us."

**The American College of Cardiology** is a 52,000-member medical society that is the professional home for the entire cardiovascular care team. The mission of the College is to transform cardiovascular care and to improve heart health. The ACC leads in the formation of health policy, standards and guidelines. The College operates national registries to measure and improve care, offers cardiovascular accreditation to hospitals and institutions, provides professional medical education, disseminates cardiovascular research and bestows credentials upon cardiovascular specialists who meet stringent qualifications. For more, visit [acc.org](http://acc.org).

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The Corporate Health Care Coalition (CHCC) is a public policy organization comprised of leading companies from varying industries that compete in the global marketplace and sponsor health plans for the benefit of our employees and other beneficiaries. Collectively, CHCC member companies provide health benefits for more than 4 million Americans across every state in the nation.

The Corporate Health Care Coalition has long expressed concern about the Cadillac tax and similar proposals that would alter the tax treatment of employer sponsored health care and potentially impede employers' ability to provide affordable, efficient and quality care to employees and other beneficiaries. CHCC believes that the delay in the implementation of the Cadillac tax until 2025, as proposed by the American Health Care Act, is an important step toward repealing this onerous tax permanently. We are also pleased that the legislation does not extend the transitional reinsurance tax on employers, which is now set to expire. CHCC looks forward to working with Congress to preserve and strengthen the employer-sponsored health care system, which provides health care benefits to over 175 million Americans.